Immunovia Half-year report 2016

Mats Grahn, CEO of Immunovia AB

"Immunovia reached several important milestones in the first six months of 2016. Good results were obtained in the American pancreas study that was carried out in collaboration with Knight Cancer Institute. The presentations made at the key global conferences concerning pancreatic cancer were very well received. A specially strong Scientific Advisory Board has been recruited, and involvement from the patient organization has increased. Furthermore, several significant agreements were signed with important cancer centres.

The market introduction of IMMray™ PanCan –d, Immunovia's diagnosis test for early detection of pancreatic cancer, is expected to begin in 2017 and then generate income from the hereditary risk groups in 2018. It is planned to start pancreatic cancer tests for the diabetes group soon afterwards. In addition, it will be possible to use the test for patients seeking help with vague symptoms and where there is a need to swiftly rule out pancreatic cancer.

In the second half of 2016 Immunovia's laboratory in Lund is expected to be completed and subsequently accredited for ISO certification in 2017. CE labelling of IMMray™ PanCan –d will be concluded in 2017. It will then be possible to receive samples from all over Europe to establish early detection of pancreatic cancer, with talks already being held with several prospective customers, i.e. cancer centres and laboratories.

In mid-August Immunovia announced its intention to seek a listing on Nasdaq Stockholm's Main Market in 2017."

Key indicators

SEK thousand unless otherwise stated

	1 Jan-30 June 2016	1 Jan-30 June 2016	Full year 2015
Net sales	66	59	205
Operating earnings	-5 403	-3 836	-7 424
Earnings before tax	-5 298	-3 807	-7 384
Net earnings	-5 298	-3 807	-7 384
Earnings per share before dilution (SEK/share)	-0,38	-0,34	-0,65
Earnings per share after dilution (SEK/share)	-0,36	-0,33	-0,62
	30 June 2016	30 June 2015	31 Dec. 2015
Equity ratio,%	93	84	92
Gearing ratio, times	0,07	0,19	0,09

Outlook*

Immunovia is focused on fundamentally transforming diagnosis of complex forms of cancer and autoimmune diseases. The antibody-based platform, IMMray™, is the result of 15 years of research at CREATE Health – the Center for Translational Cancer Research at Lund University, Sweden. IMMray™ is a technology platform for the development of diagnostic tests and the company's primary test, IMMray™ PanCan –d, is the first test in the world for early diagnosis of pancreatic cancer.

- It is planned to launch IMMray™ PanCan –d on the American and European markets with sales start in 2017 to out-of-pocket customers, with revenues expected to begin in 2018. In coming years Immunovia will address a market that in total is worth around SEK 30 billion.
- Immunovia sees great potential in the development of tests for other unsolved problems in cancer and autoimmune diseases via its IMMray™ platform. The next focus area will be tests within SLE.

* No changes compared with the Financial Statement dated 24 February 2016.

CEO's statement

In the first half of 2016 we have continued to work intensively in our planned process of the market introduction of IMMray™ PanCan –d, a diagnostic test for early detection of pancreatic cancer. In addition to hereditary risk groups, people aged over 50 who receive a first diagnosis of diabetes face an increased risk because diabetes may be linked to pancreatic cancer.

Immunovia plans as a first step to establish IMMray™ PanCan –d for regular testing of hereditary risk groups followed by testing of diabetes sufferers. The diabetes segment of the market is the largest. On full penetration, its income potential could be worth around SEK 30 billion per year.

During the spring we have held talks with leading clinics and noted their interest in possibly using the test for patients that seek medical help for vague symptoms and where they wish to be able to swiftly exclude pancreatic cancer while also sending patients testing positive for treatment by specialists in pancreatic cancer. This would represent further market potential.

The test can be highly relevant for this group in order to significantly reduce the time from when the patient first seeks medical help with vague symptoms, which may have very many causes other than pancreatic cancer, up to the point when the actual diagnosis may be pancreatic cancer. Studies have shown that this delay could currently be 6-9 months, which can be the time needed for a treatable cancer to become an untreatable one.

"The diabetes segment of the market is the largest. On full penetration its potential income could be worth around SEK 30 billion per year."

We are in a commercialisation phase, building and expanding our network of Key Opinion Leaders, and we continue to see great interest in Immunovia in both of our key markets, the US and Europe.

This year we have strengthened our extremely valuable Scientific Advisory Board with four leading experts in pancreatic cancer, two from the US and two from Europe. We have also added partners from the most important cancer centres to our planned prospective study, in addition to the first major agreement that we signed in 2015 with Knight Cancer Institute at OHSU (Oregon Health and Science University), which has been boosted with an increase in resources in the form of a donation of USD one billion to be focused on early detection of cancer. Immunovia's new partners in 2016 include Liverpool University Hospital in the UK, which is a leading centre for our primary target group of hereditary risk groups, and Mount Sinai, a very prestigious network of seven hospitals in New York, USA. We aim to add further important centres in the US and Europe for participation in our prospective study. Not only do they give us access to patients relevant for the study, they will also be the first and most significant customers. They will also be able to make a positive contribution to the regulatory process and in discussions with payment organizations in their parts of the world.

As part of our collaboration with the Knight Cancer Institute we have completed a major clinical validation study of early stage I and II

AACR American Association for Cancer Research

WORLD PANCREATIC CANCER COALITION

48th Annual Meeting E•P•C Liverpool 2016

Immunovia expanded its network and made presentations at key conferences in the first half of 2016. "Working together in networks gives each participant a greater influence than just working alone."

North American pancreatic cancer patients where the main focus was on validating the excellent results of the Scandinavian study completed at the end of 2015. In the American study we also achieved 96 % accuracy in distinguishing stages I and II samples from healthy control samples, which is highly satisfying as it confirms the results of the Scandinavian study. It is very advantageous in the commercialization process in the US to have results from American patients. The results of both studies were presented at the AACR pancreatic cancer conference in Orlando, USA, in May 2016, which drew over 450 mainly American specialists and researchers, at a key global pancreatic cancer conference, Pancreas 2016, in Glasgow, UK, at a seminar in Tokyo, Japan, both these latter two in June, and at the annual conference of European pancreatologists, EPC 2016, in Liverpool, UK, in July.

Our presentations were very well received and Immunovia gained a lot of attention, which will make future activities easier for us. A scientific publication concerning both studies is being prepared in parallel with applications for additional patents that will expand our already comprehensive portfolio of patents.

IMMray™ PanCan –d, is the first test in the world that can detect pancreatic cancer at an early stage (stages I and II) using a blood test. Being able to detect pancreatic cancer patients in stages I and II means that risk groups can be screened regularly with a simple blood test and thus receive treatment that will increase their opportunities to survive.

Pancreatic cancer is a major global problem with scarily high mortality rates. Only around 15-20 % of diagnosed patients can be

"This year we have strengthened our extremely valuable Scientific Advisory Board with four leading experts in pancreatic cancer, two from the US and two from Europe."

Staff at Immunovia's laboratory in Lund are able to diagnose pancreatic cancer using a drop of blood on a microarray.

operated upon. The 80-85 % who cannot be operated upon because the cancer has advanced too far face a median survival rate of less than six months. If it were possible to detect pancreatic cancer 6-12 months earlier, the proportion of patients who could be operated upon would increase dramatically along with rates for five-year survival.

The problem of pancreatic cancer is now being noted in most countries in a completely different way to previous years and this is generating great interest in Immunovia. US President Barack Obama has signed a new federal law that requires the country's cancer research and treatment authorities, including The National Cancer Institute, to focus on the development of early detection methods for the most deadly forms of cancer. In the pancreatic field this has contributed, among other things, to the fact that we now note increased interest in addressing problems for diabetes patients, which is why this market opportunity is considered to have matured faster than expected, both in the US and Europe.

Immunovia 's test is blood-based and therefore requires only a simple blood test. Simplicity in execution combined with cost-efficiency means that our test can be used on a large scale to regularly test people with an enhanced risk for developing pancreatic cancer, which is especially important for the diabetes group.

We expect to begin sales of IMMray™ PanCan –d in 2017 and to begin generating income from the hereditary groups by 2018. We are also planning to penetrate the diabetes market as swiftly as possible.

In 2015 we received funding from VINNOVA worth SEK 2 million that enabled a series of studies in autoimmunity that alongside SLE (Systematic Lupus Erythematosus) includes diseases such as Rheumatoid Arthritis (RA), Vasculitis and Sjögren's Syndrome. These studies are now being performed in collaboration with IDEA, a centre for autoimmunity formed out of CREATE Health at Lund University. We expect to see the first results this year. We have also begun a collaboration around SLE with a multinational Life Science company.

SLE is a disease that around five million people suffer from in the EU and the US. We are focusing on two unsolved clinical problems. The first is that SLE is difficult to diagnose since the symptoms overlap with other diseases so patients are often misdiagnosed and thus mistreated for many years with unnecessary side effects. We are now aiming to investigate if a single blood sample may separately diagnose SLE from Rheumatoid Arthritis, Vasculitis and Sjögren's Syndrome, which are four of the most common autoimmune diseases. The second clinical problem is that SLE patients have relapses one or more times a year. If there was regular testing we would be able to treat relapses to reduce symptoms, avoid sick leave and minimize damage to the body. We will try to solve the clinical problems using two different types of IMMray™ test. The market potential for the first problem consists of anyone with symptoms that could involve SLE. The market potential for the monitoring test consists of the patients with SLE, and this test must be taken two to four times a year for life.

In summary, during the first half of 2016 we have managed to deliver according to plan and reached important milestones such as the good results from the American pancreatic study performed in collaboration with Knight Cancer Institute, successful presentations at the key global conferences concerning pancreatic cancer, recruitment of a specially strong Scientific Advisory Board, increased involvement with the patient organization, and signed several significant agreements with important cancer centres.

I view Immunovia's future very positively. We have built a dedicated organization that we are currently strengthening with expertise from the commercial world. We are working enthusiastically on the market introduction of Immunovia's first test, IMMray™ PanCan –d. We also see opportunities for increasing activities in the market introduction process, primarily with the aim of meeting the growing interest we have noted in the US and Europe for testing for pancreatic cancer among the diabetes risk group.

We are very grateful and pleased about the interest in us shown by our shareholders and we look forward to expanding our pipeline of tests for cancer and autoimmune diseases. Above all, we look forward to transforming the currently very poor chance of surviving pancreatic cancer to establish a radically improved situation thanks to early diagnosis that will be available on the market for those who really need it.

Mats Grahn
CEO, Immunovia AB

Financial results

Net sales
Net sales for the first half of 2016 were SEK 66 thousand (59 k in corresponding period in 2015). Net sales principally comprise royalties.

Capitalisation of costs amounted to SEK 11,884 thousand in the first half of 2016, compared with SEK 6,905 in the first half of 2015. To the extent that activated costs are financed by approved and received grants, direct impairment of activated costs is made by corresponding amounts.

The company's total amount of approved national and European grants for development projects is around SEK 43 million, of which around SEK 15.9 million has been utilised as of 30 June 2016. The company has received payments of approved grants for development projects amounting to SEK 17.0 million as of 30 June 2016.

Earnings
The net loss for the first half of the year was SEK 5,298 thousand (-3,807 k). The loss for the current year increased due to greater activity and a growing organization.

Other operating costs and personnel costs increased by a total of SEK 6,561 thousand compared with last year to reach SEK 17,360 thousand for the first half of 2016. This increase is mainly due to intensification of marketing activities and the increase in employees.

Financial position, cash flow and investment
The closing balance for liquid assets at the end of June 2016 was SEK 59,728 thousand (22,761 k).

In the first half of 2016 intangible assets were acquired for a total of SEK 8,767 thousand, comprising capitalised expenses for development activities for SEK 7,267 thousand and patents for SEK 1,500 thousand.

Fixed tangible assets in the form of inventories were acquired in 2015 for SEK 415 thousand (145).

Since the registration of Immunovia Inc., this subsidiary has not performed any transactions. The company's share capital is USD 1 and there are 1,000 shares.

Warrants
The Annual General Meeting held on 30 May 2016 resolved to offer a warrants scheme (series 2016/2019) to employees and key persons in the company. The warrants (a total of 214,000, of which 83,000 had been subscribed for and issued as of 30 June 2016) can be used during the utilisation period from the registration of the decision up to 15 October 2019 to subscribe for newly issued shares of the Company. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 83 per share. Full utilization would increase the company's share capital by SEK 10,700. The warrants are subject to standard recalculation terms in connection with share issues, etc.

The Annual General Meeting held on June 1, 2015 resolved to offer a warrants scheme (series 2015/2018) to employees and key persons in the company. The warrants (47,000) can be used to subscribe for newly issued shares of the Company during the period from registration of the decision until 15 October 2018. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 13.50 per share. Full utilization would increase the company's share capital by SEK 2,350. The warrants are subject to standard recalculation terms in connection with share issues, etc.

The board meeting held on 10 September 2014 utilised the mandate issued by the Annual General Meeting held on 2 May 2014 to issue warrants (series 2014/2017) to employees and key persons in the company. The warrants (504,000) can be used to subscribe for new shares in the Company during the period from registration of the decision until 15 October 2017. Each warrant entitles the holder to subscribe for one share at a subscription price of SEK 9.50 per share. Full utilization would increase the company's share capital by SEK 25,200. The warrants are subject to customary recalculation terms in connection with share issues, etc.

The total number of outstanding warrants as of 30 June 2016 was 634,000.

Transactions with related parties
The company defines related parties as leading decision makers, Board members and their close family members. All transactions with related parties during the period were done on market terms.

Principles for preparation of financial statement
Accounting principles
The interim report has been prepared in accordance with the same accounting policies as those used in the Company's most recent annual report, i.e. in accordance with BFNAR 2012: 1, Annual reports and consolidated financial statements (K3). The report is prepared in Swedish kronor, SEK.

Valuation principles
Intangible assets:
Development costs have been recognized and capitalized to the extent they are not financed by grants. Depreciation commences when the project has been completed in principle. To the extent that development costs have been capitalized and financed through grants, these grants have been offset against the capitalised amount.

External expenses for accrued patents have been capitalised. Depreciation begins when sales of the company's products and services have started. In the event that an asset's reported value exceeds its estimated recoverable amount, the asset is impaired immediately to its recoverable amount.

Estimates and assessments
The company's management team makes estimates about the future. These estimates will seldom match outcomes. The estimates and assumptions that could lead to the risk of significant adjustments in the reported values of assets and liabilities primarily concern the valuation of intangible assets.

Every year tests are performed to see if there is an indication that the value of assets is lower than the reported value. If there is such an indication, the recoverable value of the asset is calculated, which is the lower of the asset's fair value less costs for selling and utilisation value.

Because development work has not been completed and commercialization has not yet been initiated, no depreciation has been performed. With consideration to the business opportunities that exist, the Board believes that there is no need for impairment.

Significant events

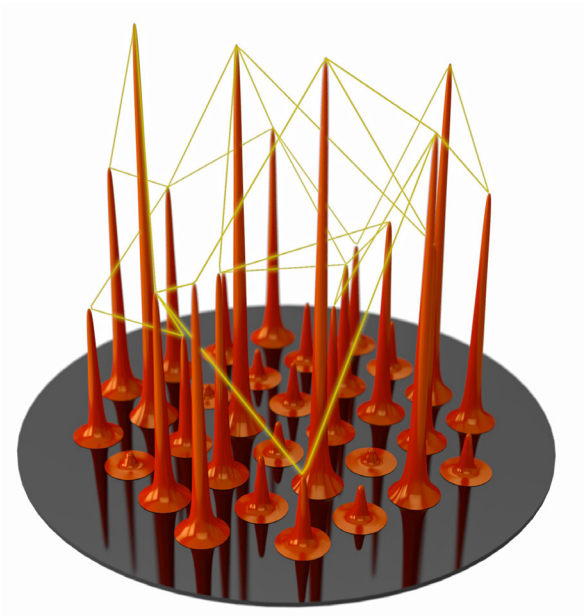
Completion of clinical validation study using North American blood samples that showed 96 % accuracy for early detection of pancreatic cancer
Immunovia completed a second retrospective clinical validation study showing 96 % accuracy for early detection of pancreatic cancer. The study, which was carried out on 90 North American patients with early stage I & II pancreatic cancer, perfectly matches the previously reported Scandinavian study results.

The same groundbreaking results have therefore been achieved among two completely separate patient groups in tests performed independently of each other on different continents. The study was performed in collaboration with Knight Cancer Institute and the Brenden-Colson Center for Pancreatic Care at Oregon Health & Science University (OHSU) in Portland USA, which provided a valuable biobank of blood samples from patients with pancreatic cancer and other pancreatic diseases.

At the end of 2016, a prospective study will be set up designed to validate IMMray™ PanCan –d. It will run for three years across sites in both the US and Europe. The study will be performed in collaboration with Knight Cancer Laboratories, at Oregon Health and Science University, USA, and, as announced at the start of 2016, with University of Liverpool, UK and Mount Sinai Cancer Center, USA.

Immunovia has been active at global conferences concerning pancreatic cancer in the first six months of 2016
Cooperation with pancreologists, oncologists and other key individuals involved in treating pancreatic cancer is very important for Immunovia in achieving its goal of introducing the first validated test for early diagnosis of pancreatic cancer.

Two major events that took place in Orlando, USA, on 10-15 May 2016 were dedicated to the deadliest form of cancer, pancreatic cancer: the first World Pancreatic Cancer Coalition (WPCC), an association of 54 patients organizations from across the world, followed by the AACR Pancreatic Cancer Special Conference, attended by over 450 leading pancreatic doctors and researchers, mostly from the US. Both events represented major breakthroughs for Immunovia and IMMray™ PanCan –d.



IMMray™ PanCan –d is a test involving a blood-based biomarker signature that detects pancreatic cancer at an early stage.

At the International Symposium on Pancreatic Cancer in Glasgow, UK, on 9-12 June 2016, Immunovia gave a presentation of the latest results from retrospective clinical validation studies performed using Immunovia's test for early detection of pancreatic cancer. Immunovia also made a presentation at the European pancreologists' annual conference held from 6-9 July in Liverpool, UK.

Immunovia reinforced its Scientific Advisory Board with 4 new members
Immunovia's Scientific Advisory Board forms the base for Immunovia's network of Key Opinion Leaders. It comprises leading clinical and scientific experts in pancreatic cancer. During the first half of 2016 the following members have joined Immunovia's Scientific Advisory Board:

- *Associate professor Marco Del Chiaro* – a globally recognized expert surgeon in pancreatic diseases, transplantation and robotic surgery.
  Marco Del Chiaro, MD, PhD, FACS is presently an associate professor of surgery and Head of Pancreatic Surgery Unit at the Division of Surgery, Department of Clinical Science, Intervention and Technology at Karolinska Institute and senior consultant surgeon at Karolinska University Hospital.
- *Professor Margaret Temper* – a leading American expert in gastro-intestinal cancer.
  Professor Tempero is Director of the UCSF Pancreas Center and leader of the Pancreas Cancer Program at the UCSF.
- *Professor Aldo Scarpa* – world-leading cancer diagnostics expert.
  Professor Scarpa is the Director of the ARC-Net Research Centre for Applied Research on Cancer and Chair of the Department of Pathology and Diagnostics at the University and Hospital Trust of Verona in Italy.
- *Professor Diane Simeone* – a leading authority on the management of solid and cystic pancreatic tumors.
  Professor Simeone is the Greenfield Endowed Professor of Surgery and Physiology at the University of Michigan Medical Center and the Director of the Pancreatic Cancer Center.

Application areas for IMMray™ extended to include autoimmune diseases
At the start of the year Immunovia announced that the company has entered into an agreement with IDEA, an autoimmunity centre at Lund University, and with a large multinational life science company to run joint studies aimed at expanding the applications area of IMMray™ to autoimmune diseases. The studies will be carried out during 2016 with the aim of evaluating Immunovia's IMMray™ SLE –d for diagnosis of SLE. Currently there is no single serological and/or urinary test available to clinicians to diagnose SLE.

CE labeling and European market introduction
In March Immunovia entered into an advisory collaboration agreement with Ehlers, Ehlers & Partner, a leading German consulting business, to develop and drive marketing and the regulatory and cost compensation process for the IMMray™ PanCan –d test for pancreatic cancer. One of the key goals for Immunovia in the coming year is to obtain CE labeling followed by market introduction in prioritized European countries for the company's test for pancreatic cancer.

Important events after the end of the period
On 16 August Immunovia announced its intention to apply for a listing on Nasdaq Stockholm's Main Market in the first half of 2017. The aim is to gain access to the international capital markets and to make it easier for more international investors to gain a shareholding in the company.

Other information

Share information
Immunovia's shares have been listed on Nasdaq First North, Stockholm (ticker: IMMNOV) since 1 December 2015.

First North is Nasdaq's European growth market and has a less extensive regulatory framework than the main market. Each company on First North has a Certified Adviser to ensure that companies meet requirements and regulations. Shares on First North and the main Nasdaq market are traded in the same trading system.

Immunovia's shares are issued in a single category and each share entitles the holder to one vote at the Annual General Meeting. As of 30 June 2016 the total number of shares was 14,291,216. The share capital was SEK 714,561 and the nominal value of each share is SEK 0.05. The total number of votes is 14,291,216.

The ten largest shareholders as of 30 June 2016.

Name	No. of shares	%
Carl Borrebaeck	1 909 900	13,36
Vincent Saldell	1 000 000	7,00
Sara Andersson Ek	968 950	6,78
Christer Wingren	968 950	6,78
Per Mats Ohlin	968 950	6,78
Försäkringsbolaget Avanza Pension	779 831	5,46
Ålandsbanken AB, W8IMY	318 607	2,23
Banque Internationale á Luxembourg	200 000	1,40
SIX SIS AG, W8IMY	188 200	1,32
Michael Löfman	182 000	1,27
Ten largest	7 485 388	52,38
Others	6 805 828	47,62
Total	14 291 216	100

Significant risks and uncertainties
Immunovia's business operations and market are subject to a number of risks that are wholly or partly outside the company's control and that affect or may in future affect Immunovia's business operations, financial position and earnings. The following risk factors are described in no special order and with no claim to be comprehensive:

- Immunovia is a development company with a relatively short operating history, which means that it may be some time before the company can report sales revenue.
- The company is in a commercialization phase which means there is a risk that sales revenue will be less than expected or zero.
- Validation studies could result in unexpected or negative research results.
- Development costs are difficult to anticipate. These costs may be higher than planned.
- The Company is dependent on collaboration and licensing agreements and there is a risk that the company cannot enter into the necessary partnerships.
- There is a risk that Immunovia does not receive the necessary registrations to sell and promote its products.
- There is a risk that the company will not receive accreditation to ISO 17025.
- Immunovia is subject to a number of government regulations that may change.
- There is a risk that Immunovia cannot defend granted patents, registered trademarks and other intellectual property rights or that submitted registration applications are not granted.

Review by auditors
The half-year report has not been reviewed by the company's auditors.

Board assurance
The Board and the CEO certify that the Financial Statement gives a true and fair view of the company's operations, position and results, and describes significant risks and uncertainties that the company faces.

Lund, 24 August 2016.

Certified Adviser
Wildeco Ekonomisk Information AB is the company's Certified Adviser on Nasdaq First North.

For further information, please contact:
Mats Grahn, CEO, Immunovia AB
Phone: +46 (0) 70-532 02 30
E-mail: mats.grahn@immunovia.com

See also the company's website: www.immunovia.com

Telephone conference:

24 August 2016, 10.00 a.m. (CET)

SE: +46 856642662

CH: +41 225675548

DE: +49 69222229046

UK: +44 2030089804

Calendar

22 February 2017 Year-end report 2016

Financial reports

In some cases figures have been rounded off, which means tables and calculations will not always appear to be correctly totalled.

Income statement

SEK thousand

	1 Jan-30 June 2016	1 Jan-30 June 2015	Full year 2015
Net sales	66	59	205
Capitalized work for own account	11 884	6 905	16 791
Other income	7	0	11
Total income	11 957	6 963	17 007
Tradable goods	0	0	0
Other external costs	-11 029	-8 129	-17 377
Personnel costs	-6 154	-2 509	-6 749
Depreciation and amortization of tangible and intangible assets	-175	-144	-288
Other operating expenses	-3	-17	-17
Total operating expenses	-17 360	-10 799	-24 431
Operating profit/loss	-5 403	-3 836	-7 424
Interest income	106	30	41
Interest expenses	-1	0	-1
Income from financial investments	105	29	40
Profit/loss after financial items	-5 298	-3 807	-7 384
Tax on income	0	0	0
Net profit/loss	-5 298	-3 807	-7 384

Key indicators

SEK thousand unless otherwise stated

	1 Jan-30 June 2016	1 Jan-30 June 2015	Full year 2015
Net sales	66	59	205
Operating earnings	-5 403	-3 836	-7 424
Earnings before tax	-5 298	-3 807	-7 384
Net earnings	-5 298	-3 807	-7 384
Earnings per share before dilution (SEK/share)	-0,38	-0,34	-0,65
Earnings per share after dilution (SEK/share)	-0,36	-0,33	-0,62
	30 June 2016	30 June 2015	31 Dec. 2015
Equity ratio, %	93%	84%	92%
Gearing ratio, times	0,07	0,19	0,09
Average number of shares before dilution [1]	14 291 216	11 046 216	11 424 799
Average number of shares after dilution [1]	14 925 216	11 597 216	11 975 799
No. of shares at end of period [1]	14 291 216	11 046 216	14 291 216
No. of employees	14	8	14

[1] Number of shares recalculated after new issue in November 2015
There are 634,000 outstanding share options that give entitlement to subscribe for 634,000 shares.

Balance sheet

SEK thousand	30-06-2016	30-06-2015	31-12-2015
ASSETS			
Capitalised expenditure on research and development	12 912	5 590	5 644
Patents	9 703	6 691	8 241
Total intangible assets	22 615	12 282	13 885
Equipment, tools and installations	948	778	671
Total tangible assets	948	778	671
Shares in group companies	0	0	0
Total financial assets	0	0	0
Total assets	23 563	13 060	14 556
Other receivables	733	2 059	814
Prepayments and accrued income	296	113	378
Total current assets	1 029	2 173	1 192
Cash and bank balances	59 728	22 761	75 767
Total current assets	60 757	24 933	76 958
TOTAL ASSETS	84 320	37 993	91 515
EQUITY AND LIABILITIES			
Share capital	715	221	715
Fund for development expenditure	7 267	0	0
Total restricted equity	7 982	221	715
Share premium reserve	194	0	54 948
Retained earnings	75 819	35 570	35 522
Profit/loss for the period	-5 298	-3 807	-7 384
Total accumulated deficit / unrestricted equity	70 715	31 763	83 086
Total equity	78 697	31 984	83 801
Accounts payable	1 533	4 117	1 252
Current tax liabilities	267	40	147
Other liabilities	1 469	1 043	5 242
Accrued expenses and deferred income	2 355	809	1 072
Total short-term liabilities	5 624	6 009	7 714
TOTAL EQUITY AND LIABILITIES	84 320	37 993	91 515

Cash flow statement

SEK thousand	1 Jan-30 June 2016	1 Jan-30 June 2015	Full year 2015
Operating activities			
Operating profit/loss after financial items	-5 298	-3 807	-7 384
Depreciation / amortization	175	144	288
Change in working capital			
Change in current receivables	163	-1 306	-325
Change in current liabilities	-2 090	2 872	4 577
Change in stocks	0	0	0
Cash flow from operating activities	-7 050	-2 096	-2 843
Investment			
Acquisition of intangible assets	-8 767	-6 850	-8 491
Acquisition of tangible assets	-415	-145	-145
Cash flow from investing activities	-9 182	-6 995	-8 636
Financing activities			
Long-term liabilities	0	0	0
New share issue / warrant premiums	194	48	55 441
Cash flow from financing activities	194	48	55 441
Cash flow for the period	-16 039	-9 043	43 962
Cash and cash equivalents at beginning of period	75 767	31 804	31 804
Cash and cash equivalents at end of period	59 728	22 761	75 767

Change in equity

SEK thousand	1 Jan-30 June 2016	1 Jan-30 June 2015	Full year 2015
Restricted equity			
Share capital, opening balance	715	221	221
New share issue	0	0	494
Fund for development expenditure	7 267	0	0
Share capital, closing balance	7 982	221	715
Unrestricted equity			
Share premium reserve, opening balance	54 948	39 268	39 567
Reversal of previous year's result	-54 948	-39 268	-39 567
New share issue	0	0	54 900
Share warrants	194	48	48
Premium fund, closing balance	194	48	54 948
Retained earnings	20 871	-4 045	-4 045
Reversal of previous year's result	54 948	39 567	39 567
Profit/loss for the period	-5 298	-3 807	-7 384
Total	70 521	31 715	28 138
Total equity	78 697	31 984	83 801

Glossary

Actionable information – In this context this means information that is sufficiently reliable and specific to form the basis for clinical decisions.

Antibodies – Antibodies, or immunoglobulins, are a type of protein used by the body's immune system to detect and identify foreign substances such as viruses, bacteria or parasites.

Antigen – A foreign body substance that elicits a reaction of the immune system in contact with the organism. The substance may be a chemical substance, a protein or a carbohydrate.

Autoimmunity – Autoimmunity is the immune system's harmful attack on the body's own tissue, which can take the form of disease or rejection of organs during transplantation.

Benign – If a tumour is benign it means that the tumour is not dangerous and will not spread.

Bioinformatics – Bioinformatics is an interdisciplinary field in which algorithms are developed for the analysis of biological (especially molecular biology) data.

Biomarker – A biomarker can be defined as a biological response to a change caused by disease or foreign substance. Biomarkers can be used as early warning signs of biological changes in an organism.

Companion Diagnostics – Diagnostics tools aimed at identifying which groups of patients will respond well to a particular treatment and thus ruling out ineffective treatments.

Discovery Study – Research carried out in order to verify a special hypothesis.

Histology – Histology is the study of biological tissue.

Invasive – Invasive means to penetrate or attack. Invasive medical examinations refer to examinations that include any form of penetration through a hole in the body or surgical operation.

Malignant – Malignant tumours tend to worsen and become mortal. They are termed cancer, and thus differ from benign tumours.

Metastasis – A metastasis is a tumour that has spread to other organs.

Microarray – A microarray is a molecular biology test format for simultaneously measuring the relative concentrations of proteins.

Out-of-pocket customers – Patients or organizations that pay for drugs without reimbursement from insurance companies or government agencies.

Palliative care – Palliative care is administered when the patient's disease is beyond the ability to cure. The purpose of palliative care is to provide support to patients and families using both psychological and medical practices.

Pancreatologist – Specialist doctors focused on pancreatic disease.

Prospective study – A study in which a group of individuals is studied over time, often a long time, to see how a disease develops. A prospective study is used to study the relationship between various risk factors and a specific disease. Individuals with and without risk factors are observed. At the end of the study the proportion of individuals who fell ill in the two groups is compared.

Proteomics – Proteomics is a branch of biology and includes surveys of large amounts of data about proteins.

Reproducibility – Within the field of statistics, reproducibility is described as the correlation between results from repeated measurements performed by different observers with different instruments of the same type, which measurements are performed in order to reject any measurement error due to materials and personnel.

Retrospective Study – A study in which you look back on events that have already occurred, i.e. historical data is used. A retrospective study is based on observed fact, i.e. you already know which individuals will become sick or not.

Screening – Screening refers to medical examinations to identify a disease. It is normally carried out before the patient has exhibited obvious symptoms.

Sensitivity – Sensitivity is a statistical measure of the reliability of a binary diagnostic test and the probability that a generated positive result is correct.

Serum – A serum is a transparent yellowish liquid obtained by allowing the blood to clot, and then removing the blood cells and the coagulation proteins. Serum contains proteins, including antibodies.

SLE (Systemic Lupus Erythematosus) – SLE is an autoimmune inflammatory disease which means that the immune system attacks the body. The symptoms come and go in cycles, sometimes the patient is sick and sometimes has no sickness at all. Usually it is the joints, skin, blood and kidneys which become inflamed, but also the nervous system, lungs and heart can be affected. The disease is currently difficult to diagnose and is often confused with other autoimmune diseases.

Specificity – Specificity is a statistical measure of the reliability of a binary diagnostic test and the probability that the generated negative result is de facto negative.

Vinnova – Vinnova is a Swedish government agency under the Ministry of Industry which aims to promote sustainable growth by improving conditions for innovation and by funding needs-driven research.

Definitions

Gearing
Liabilities including deferred tax liabilities and provisions divided by adjusted equity ratio (multiple).

Equity/assets ratio
Adjusted equity as a percentage of total assets.

Adjusted equity
Shareholders' equity plus 78 % (100 % minus current corporate tax rate, i.e. typically 22 % from 2013) of possible untaxed reserves.

Immunovia in brief

Immunovia is a Swedish molecular diagnostic company entering a commercialisation phase with a strong financial position. The company develops and commercialises diagnostic tools for complex forms of cancer and autoimmune diseases.

Immunovia AB was founded in 2007 by researchers from the Department of Immunotechnology at Lund University and CREATE Health, the Center for Translational Cancer Research in Lund, Sweden. The purpose was to establish a base from which to make scientific discoveries and gain patents within the fields of human antibodies, biomarkers and antibody arrays, covering the stages from research to clinical application.

Immunovia's core technology platform, IMMray™, is based on microarray analysis of biomarker antibodies. IMMray™ PanCan –d is the company's primary diagnostic tool, capable of diagnosing with a high level of sensitivity and specificity. This enables diagnosis of patients with pancreatic cancer before symptoms are noted (stages I and II), which is not currently possible with existing methods. Immunovia is now performing clinical validation studies to prepare for the commercialization of IMMray™ PanCan –d, which could become the first blood-based test for early diagnosis of pancreatic cancer.

The antibody-based technology platform, IMMray™, is the result of 15 years of research at CREATE Health, Lund University. It is used to decode mechanisms behind the body's immune system, the first system in the body that reacts to disease. The platform can also be used for the development of diagnostic tests for lupus (SLE), prostate cancer and breast cancer.

Pancreatic cancer
Each year about 338,000 patients fall ill with pancreatic cancer. This form of cancer has one of the worst survival forecasts and only about 5 % of diagnosed patients live more than five years, making it one of the deadliest cancers in the world. It is estimated that early detection would increase the five-year survival rate by 59 %. The initial addressable market for Immunovia consists of two high-risk pancreatic cancer groups. The market in the US and Europe for diagnosis of these groups is estimated to be worth over SEK 30 billion per year.

Goals
Immunovia's goal is to provide diagnostic tests that will enable earlier, more efficient and more accurate diagnosis of patients who run the risk of developing cancer or autoimmune disease. The aim is to make Immunovia's tests the first choice of specialist doctors and general practitioners across the world in the screening of specially high-risk groups or when there is a suspicion of the aforementioned diseases.

Strategy
As the first company, Immunovia's strategy is to decipher the wealth of information in blood and translate it into clinically useful tools to diagnose complex diseases earlier and more accurately than previously possible. The focus is on unsolved problems in early diagnosis, monitoring of the course of a disease and the patient's response to treatment. These are areas where there are extensive clinical benefits for patients and the healthcare system, current solutions are lacking or insufficient, and where IMMray™ has significant competitive advantages.

Initially, the key focus for Immunovia is to bring IMMray™ PanCan –d to the market. Because early detection of pancreatic cancer constitutes a major clinical problem, Immunovia considers there to be good prospects for being the first to establish a strong position on the market.

Immunovia has its head office in Lund, Sweden. Immunovia's shares (IMMNOV) are listed on Nasdaq Stockholm First North. The Certified Advisor is Wildeco. For more information, visit www.immunovia.com

Scheelevägen 2
Medicon Village
223 63 Lund
SWEDEN

Tel: +46 46-2756 000
ir@immunovia.com
www.immunovia.com